

# PRESS RELEASE

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## For Immediate Release

November 22, 2006

## Contact Person

Stephen Ehlke  
Assistant U.S. Attorney

Madison, Wisconsin -- Erik C. Peterson, United States Attorney for the Western District of Wisconsin, announced that Walter Benzing, DOB 11/2/45, of 2747 Park Place Lane, Janesville, was sentenced yesterday by U.S. District Judge Barbara Crabb to 55 months imprisonment for engaging in a scheme to defraud various individuals by selling forged timber contracts. Benzing pleaded guilty to this charge on June 2, 2006.

The defendant, Walter Benzing, purported to do business as Stateline Resources, a business involved in the timber harvesting industry. One of his victims, Weyauwega Lumber L.L.C in Weyauwega, Wisconsin, was in the business of harvesting and milling timber. From on or about September 6, 2000 through December 2001, Benzing engaged in a scheme to defraud Weyauwega Lumber. Benzing accomplished this by forging numerous Timber Purchase Contracts which identified Stateline Resources as the "buyer" and various landowners as the "seller" of the right to harvest timber on the landowner's property in the Western District of Wisconsin.

After forging the Timber Purchase Contracts, Benzing presented them to Weyauwega, representing to Weyauwega that they were legitimate contracts. In turn, Benzing d/b/a Stateline Resources, entered into sales agreements with Weyauwega whereby Benzing sold the right to harvest the timber from the various landowners to

Weyauwega in exchange for a specified sum of money. Weyauwega Lumber did not immediately harvest the timber specified in the various sales agreements because it was holding the contracts until the price of timber went up. As a result of this scheme, Weyauwega Lumber paid Benzing approximately \$935,000 pursuant to the various sales agreements entered into between the two of them.

In addition to his defrauding Weyauwega, Benzing also defrauded several individuals as part of the same general scheme. Benzing told various individual landowners that he would pay them for timber on their property when, in fact, he had no intention of paying them the full amount, but instead made those promises in order to secure their signature on a timber contract to harvest timber from their property. Benzing then took the timber contracts he had obtained from the various individuals and sold the rights to harvest the timber to Weyauwega. Weyauwega then paid Benzing for the right to harvest timber on the various individuals' properties. After receiving monies from Weyauwega, Benzing failed to pay the landowners the amount due on the contract which they had previously signed.

The charges against Benzing were the result of an investigation conducted by the United States Postal Service, the Wisconsin Department of Agriculture, Trade and Consumer Protection and the Weyauwega Police Department. Prosecution of the case has been handled by Assistant U.S. Attorney Stephen Ehlke.

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